



Bryce Yokomizo
Director

July 25, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**RECOMMENDATION TO APPROVE AMENDMENT TO COUNTY
CONTRACT WITH CHILD CARE INFORMATION SERVICES FOR
CHILD CARE SERVICES TO CalWORKs PARTICIPANTS
(DISTRICT 5)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director, Department of Public Social Services (DPSS), to sign an amendment to the contract with Child Care Information Services (CCIS) for the provision of Child Care Services to CalWORKs participants, substantially similar to the enclosed document. The amendment increases the maximum caseload for CCIS to 8,400 cases per year from 6,996 cases at an estimated increased cost of \$181,228 per year, for an estimated total cost of \$1,121,568 per year effective upon Board approval through the end of the contract, June 30, 2003.

PURPOSE/JUSTIFICATION OF RECOMMENDATION

Board approval of the recommendation will allow CCIS to continue to provide seamless Child Care Services for CalWORKs participants. Without this amendment, we expect that CCIS will exceed its maximum caseload in Fiscal Year 2002-03, and the County will be unable to continue to pay CCIS to provide services to CalWORKs participants.

On December 12, 2000, your Board delegated authority to the Director, DPSS, to enter into a contract with CCIS along with nine other Resource and Referral/Alternative Payment Program (R&R/APP) agencies and an additional four APP agencies. That contract included an estimated caseload maximum for each agency. In your December 12, 2000, action, you also delegated authority to the Director to approve amendments as long as the increase in fees does not exceed 25 percent of the annual administrative fees.

Accordingly, on February 25, 2002, the DPSS Interim Director increased CCIS' caseload by 20 percent to 6,996 cases per year from 5,832 cases per year at an estimated cost of \$145,908. However, after reassessing the contractor's actual and ongoing caseload, the Department anticipates that by the end of Fiscal Year 2002-03 a further increase will be needed. *The size of the anticipated increase will exceed the remaining authority that the Director has to approve an additional 5 percent increase, and we need your approval to further increase the maximum caseload.*

Implementation of Strategic Plan Goal

The amendment will further the County's Strategic Plan in the area of Children and Families' Well-Being (Goal Number 5) by continuing and supporting the Department's efforts to ensure families have access to quality child care in Los Angeles County.

FISCAL IMPACT/FINANCING

The amendment increases the administrative costs of operating the Stage 1 Child Care Services program contract with CCIS by \$181,228 per year for an estimated total cost of \$1,121,568 per year. The costs of this contract will be covered by CalWORKs Stage 1 Child Care funds. There is no additional net County cost. Child Care Services is a mandated program for CalWORKs Welfare-to-Work participants. Stage 1 contract costs are included in the Department's Fiscal Year 2002-03 adopted budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 1, 1998, the State replaced various child care programs with one program which was divided into three stages. The California Department of Social Services (CDSS) was given administrative responsibility for Stage 1, which is locally administered by DPSS. The California Department of Education (CDE) was given administrative responsibility for Stages 2 and 3. Locally, the ten R&R/APP agencies administer Stage 2 and these agencies along with three additional APPs have responsibility for Stage 3.

On January 6, 1998, your Board approved the CalWORKs Implementation Plan for the County which recommended contracting with the ten R&R/APP agencies for Stage 1. In December 2000, your Board approved new contracts with the R&R/APP and APP agencies.

Honorable Board of Supervisors
July 25, 2002
Page 3

The contract is a non-Prop A contract and exempt from the Living Wage Ordinance.

County Counsel has approved this amendment as to form.

CONTRACT PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES

The amendment will allow the County to continue to provide seamless Child Care Services to CalWORKs participants.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to send one approved copy of this Board letter to the Director, DPSS.

Respectfully submitted,


Bryce Yokomizo
Director

BY:ws

Enclosure

c: Executive Officer, Board of Supervisors
Chief Administrative Officer
County Counsel

**AMENDMENT NUMBER 3 TO THE AGREEMENT BETWEEN
THE COUNTY OF LOS ANGELES AND
CHILD CARE INFORMATION SERVICES
FOR THE PROVISION OF CalWORKs STAGE 1 CHILD CARE SERVICES**

Reference is made to the document entitled "CalWORKs Stage 1 Child Care Services Contract" by and between the County of Los Angeles and Child Care Information Services (a non-profit agency), dated January 1, 2001, and further identified as County Agreement #CW-01-02 (Hereinafter referenced as "Agreement").

Effective (date of Board of Supervisors approval) of this Amendment Number 3, the original Agreement is revised as follows:

A. Part IV, Section 1.1 of the original contract is amended to read as follows:

The maximum Operational/Administrative Fee for each fiscal year of the Agreement shall not exceed \$1,121,568 based on a maximum caseload of 8,400. If COUNTY and CONTRACTOR determine that the caseload will exceed this maximum number, then COUNTY and CONTRACTOR shall negotiate an amendment to the maximum caseload as provided for in Section VII, FURTHER TERMS AND CONDITIONS, Paragraph 5.

For any month in which CONTRACTOR's invoiced cases are less than the maximum number of 700 cases, CONTRACTOR shall invoice and COUNTY shall pay the cost per case of \$128.08 times the number of cases. For any month in which CONTRACTOR's invoiced caseload is equal to or more than the maximum number of 700 cases, CONTRACTOR shall invoice and COUNTY shall pay an amount equal to the direct provider payments actually paid out in the month times 18.42 percent. Direct provider payments paid by CONTRACTOR shall include payments authorized by CONTRACTOR but paid through COUNTY payment system for the month.

Non-needy caretaker cases, as defined in Statement of Work, Section 8.1, shall be separately invoiced on a cost-per-case basis of \$128.08 per case, and shall not be included in computing whether CONTRACTOR has obtained the maximum number of 700.

All other terms and conditions remain in effect.

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The parties hereto have caused this Amendment to be executed by their authorized officers.

COUNTY OF LOS ANGELES

By: _____
Bryce Yokomizo, Director
Department of Public Social Services

Date: _____

CHILD CARE INFORMATION SERVICES

By: _____
Cristina Alvarado, Executive Director

Date: _____

APPROVED AS TO FORM:

Lloyd W. Pellman, County Counsel

By: _____
Deputy